

**VIRGINIA HIGHLANDS AIRPORT AUTHORITY
REGULAR MEETING**

Members Present: John. R. White
Edward "Earl" Maine
Frank Sims
Andy Puckett
Joseph C. Straten
David G. Anderson

Absent: Stephen Lowe

Guest Present: See Attachment

The Virginia Highlands Airport Authority Board of Directors met on Monday, May 09, 2016 at 6:00 P.M. in conference room "A" of the Terminal Building. Mr. White, Chairman, determined that a quorum of the Board was present and called the meeting to order. Also present were Mickey Hines, Airport Manager, Jim Elliott, Airport Attorney, Kristy Miller, Executive Assistant, and Amber Miller, Airport Secretary.

Mr. White called for approval of the Minutes of the Regular Meeting April 18, 2016.

Mr. Maine moved to approve the Minutes of April 18, 2016. Mr. Anderson seconded the motion. The motion carried unanimously.

Mr. White called for the Financial Report.

Mr. Anderson gave the Financial Report.

Mr. White called for the Manager's Report.

Mr. Hines gave the Manager's Report.

Mr. Hines stated that there are two Resolutions that the Board needs to approve in regards to the Stream and Wetland Mitigation.

Mr. Elliott informed the Board that before the issue of wetland and stream mitigations could be taken up, the Authority had to go through a process enabling it to enter into design-build contracts.

Mr. Elliott stated that in the process enabling the Authority to enter into design-build contracts is to adopt the Resolution regarding section 2.2-4308 of the Code of Virginia which, empowers Virginia Highlands Airport Authority to procure construction on a design-build basis. Along with the Resolution, the Authority also needed to adopt its attachment entitled "Procedure for Procurement of Design-Build Agreement".

Discussion ensued.

Mr. Maine moved to adopt the Resolution empowering the Authority to procure construction on a design-build basis with its attachment entitled "Procedure for Procurement of Design-Build Agreement". Mr. Sims seconded the motion. The motion carried unanimously.

Mr. Elliot stated that the Authority needed to appoint an Evaluation Committee which must consist of the Airport Manager and two members from the Board of Directors of the Authority and in addition to the Authority members, the Committee must include a licensed professional engineer.

Mr. White appointed Mr. Hines, Airport Manager, Mr. Maine, Board Member, Mr. Anderson, Board Member, and Mr. Sander, Engineer at Delta Airport Consultants to serve on the Evaluation Committee.

Mr. Elliot stated that the Authority needed to adopt the Resolution approving the Airport Managers request and authorizes the Authority to use a design-build contract to procure the design and construction of the Wetland Mitigation and the Stream Mitigation.

Mr. Straten moved to adopt the Resolution approving the Airport Managers request and authorizes the Authority to use a design-build contract to procure the design and construction of the Wetland Mitigation and the Stream Mitigation. Mr. Puckett seconded the motion. The motion carried unanimously.

Mr. White called for Unfinished Business.

None

Mr. White called for New Business.

Mr. Hines stated that he had had a request to graze cattle on airport property north of Aviation Drive. He recommended to wait until after construction is finished to approve this request. The Board concurred.

Mr. White called for Public comments.

None.

Mr. White called for the Operations Committee Report.

Mr. Straten stated that the Operations Committee had met to review the recommended changes to the Personnel Policy and to review the Managers job description.

Mr. Straten reviewed the changes to the Personnel Policy with the Board.

Discussion ensued.

Mr. Hines stated that in his opinion the Personnel Policy still needs to be reviewed by an Attorney.

Discussion ensued.

Mr. Elliott removed his offer to review the Personnel Policy but can recommend an Attorney to review it.

Discussion ensued.

Mr. Anderson stated that he agrees that the Personnel Policy needs to be reviewed by an Attorney.

Discussion ensued.

Mr. Straten moved to accept the Personnel Policy as written with the recommended changes. No Second.

Discussion ensued.

Mr. Elliott made the offer again for his Firm to review the Personnel Policy.

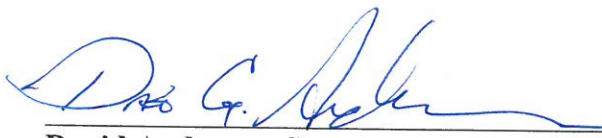
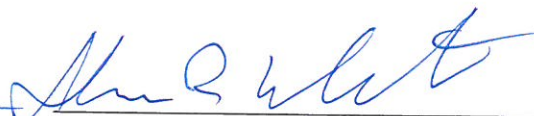
Mr. Straten moved to accept the Personnel Policy in final draft and have it submitted for legal review and presented to the Board at the next meeting on June 13, 2016 with an effective date of June 21, 2016. Mr. Sims seconded the motion. The motion carried unanimously.

No Closed Session.

Mr. White called for the Development Committee Report.

Mr. Anderson stated that the Development Committee had not met.

Mr. Maine moved to adjourn. Mr. Puckett seconded the motion. The motion carried unanimously. The meeting recessed at 7:58 P.M.


David Anderson, Secretary
John R. White, Chairman

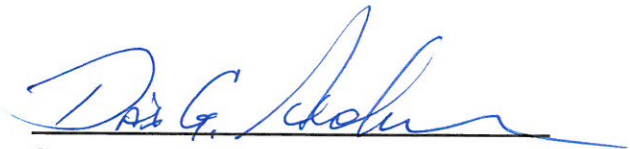
**RESOLUTION OF THE BOARD OF DIRECTORS
OF VIRGINIA HIGHLANDS AIRPORT AUTHORITY**

WHEREAS, section 2.2-4308 of the Code of Virginia empowers Virginia Highlands Airport Authority (the "Authority") to procure construction on a design-build basis; and

WHEREAS, section 2.2-4308 requires the Authority to adopt written procedures governing the selection, evaluation, and award of design-build contracts prior to issuing a Request for Proposal for any design-build contract for a specific construction project:

NOW, THEREFORE, in accordance with section 2.2-4308 of the Code of Virginia, the Board of Directors votes to adopt the attached written procedures governing the Authority's selection, evaluation, and award of design-build contracts.

Resolved this 9th day of May, 2016, by a vote of 6 for and 6 opposed, a quorum present and voting.


Secretary

PROCEDURE FOR PROCUREMENT OF DESIGN-BUILD CONTRACTS

I. General

A design-build contract is a contract between the Authority and another party in which the contracting party agrees to both design and build the structure, roadway, or other item specified in the contract. The Authority may contract to secure design-build projects on a fixed price or not-to-exceed price basis in accordance with the Code of Virginia and the procedures adopted by the Division of Engineering and Buildings of the Department of General Services for utilizing design-build contracts.

The Authority is authorized to use competitive negotiation to procure design-build contracts when it determines in advance and sets forth in writing that for a specific construction project, (i) a design-build or construction management contract is more advantageous than a competitive sealed bid construction contract; (ii) there is a benefit to the public body by using a design-build or construction management contract; and (iii) competitive sealed bidding is not practical or fiscally advantageous.

Design-build contracts are intended to minimize the project risk for the Authority and to reduce the delivery schedule by overlapping the design phase and construction phase of a project.

II. Procedure for Approval

Prior to taking any action, the Authority must request authorization in writing and receive approval from the Board of Directors to use a design-build contract. The request must justify and substantiate that design-build is more advantageous than a competitive sealed bid construction contract with a general contractor and must indicate how the Authority will benefit from using design-build. The request must also include a written justification that sealed bidding is not practicable and/or fiscally advantageous. These justifications for the use of design-build must be stated in the Request for Qualifications.

III. Selection Procedures

On projects approved for design-build, procurement of the contract must be a two-step competitive negotiation process. The following procedures must be used in selecting a Design-Builder and awarding a contract:

1. The Authority must appoint an Evaluation Committee ("Committee"), which must consist of the Airport Manager and two members from the Board of Directors of the Authority. In addition to the Authority members, the Committee must include a licensed professional engineer.
2. The basis of the award of the contract must be in accordance with the procedures for competitive negotiation, and the criteria for the award must be submitted to the Board of Directors in advance for approval. Cost is a critical component of the selection process.
3. Selection of Qualified Offerors (**STEP I**): On projects approved for design-build, the Authority must conduct a prequalification process as follows to determine which offerors are qualified to receive Request for Proposals (RFPs).
 - a) The Authority must prepare a Request for Qualifications (RFQ) containing the Authority's facility requirements, building and site criteria, site and survey data (if available), the criteria to be used to evaluate RFQ Responses, and other relevant information, including any unique capabilities or qualifications that will be required of the contractor. All offerors must have a licensed Class "A" contractor and an Architect or Engineer registered in the Commonwealth of Virginia as part of the Project Team.
 - b) The RFQ must be posted in accordance with the current standards for the posting of public bids in the Code of Virginia.
 - c) The Committee must evaluate each offeror's RFQ responses and any other relevant information and must determine which offerors are fully qualified and suitable for the project.
 - d) The RFQ evaluation must result in a short list of two to five offerors to receive the RFP. An offeror may be denied prequalification only as specified under section

2.2-4317 of the Code of Virginia, but the short list must also be based upon the RFQ criteria.

e) At least 30 days prior to the date established for the submission of proposals, the Authority must advise in writing each offeror that sought prequalification whether that offeror has been prequalified. Prequalified offerors that are not selected for the short list must likewise be provided the reasons for such decision. If an offeror is denied prequalification, the written notification to such offeror must state the reasons for such denial of prequalification and the factual basis of such reasons.

4. Selection of Design-Build Contractor (**STEP II**):

a) The Authority must send an RFP to the design-build offerors on the short list for the project and request formal proposals from them. The criteria for the award must be included in the RFP.

b) Sealed Technical Proposals as described in the RFP must be submitted to the Committee. Separately-sealed Cost Proposals must also be submitted and must be secured and kept sealed until evaluation of the Technical Proposals and the design adjustments are completed.

c) The Committee will evaluate the Technical Proposals based on the criteria contained in the RFP. It will inform each design-build offeror of any adjustments necessary to make its Technical Proposal fully comply with the requirements of the RFP. In addition, the Committee may require that offerors make design adjustments necessary to incorporate project improvements and/or additional detailed information identified by the Committee during design development.

d) Based on the adjustments made to the Technical Proposals, the offeror may amend its Cost Proposal. In addition, an offeror may submit cost modifications to its original sealed Cost Proposal that are not based upon revisions to the Technical Proposals.

e) The Committee must evaluate (and rank if technical rankings are to be considered as a criteria for award) the Technical Proposals. Should the Authority determine in writing and in its sole discretion that only one offeror is fully qualified,

or that one offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that offeror after approval of the Board of Directors. Otherwise, the Committee must open the Cost Proposals and apply the criteria for award as specified in the RFP.

f) The Committee must make its recommendation for the selection of a Design-Builder to the Board of Directors based on its evaluations of the Technical and Cost Proposals and any amendments. The contract must be awarded to the offeror that is fully qualified and has been determined to have provided the best value in response to the RFP.

g) The Authority must notify the Board of Directors of its selection of the Design-Builder and must request authority to award a contract.

h) The Authority will notify all offerors that submitted proposals of the offeror that was selected for the project. In the alternative, the Authority may notify all offerors that submitted proposals of the Authority's intent to award the contract to a particular offeror at any time after the Board of Directors has selected the Design-Builder. When the terms and conditions of multiple awards are so provided in the RFP, awards may be made to more than one offeror.

i) Upon request, documentation of the process used for the final selection must be made available to the unsuccessful proposers.

**RESOLUTION OF THE BOARD OF DIRECTORS
OF VIRGINIA HIGHLANDS AIRPORT AUTHORITY**

WHEREAS, section 2.2-4308 of the Code of Virginia empowers Virginia Highlands Airport Authority (the "Authority") to procure construction on a design-build basis; and

WHEREAS, the Authority has adopted by resolution its *Procedure for Procurement of Design-Build Contracts* (the "Procedure"); and

WHEREAS, construction of the Runway 6 Extension Project (the "Project") will disturb or destroy an existing wetland on airport property; and

WHEREAS, federal and state laws, regulations, and permitting standards require the Authority to mitigate any wetland disturbance or destruction as a condition of proceeding with the Project; and

WHEREAS, the Authority seeks to procure for the design and construction of a wetland mitigation project (the "Wetland Mitigation") to meet its obligations under applicable law; and

WHEREAS, in compliance with the Code of Virginia, Delta Airport Consultants, Inc., the Authority's professional engineering consultant, has advised the Authority regarding the use of design-build procurement for the Wetland Mitigation and will assist the Authority with preparing the Request for Proposal and evaluating the proposals received; and

WHEREAS, in compliance with the Procedure, the Airport Manager has made a written request to the Board for authorization to use a design-build contract to procure the design and construction of the Wetland Mitigation; and

WHEREAS, the Airport Manager's request justifies and substantiates the reasons why design-build is more advantageous than a competitive sealed bid construction contract with a general contractor for this type of project and indicates how the Authority will benefit from using design-build for the Wetland Mitigation; and

WHEREAS, the Airport Manager's request further includes a written justification that sealed bidding is not practicable and/or fiscally advantageous for the Wetland Mitigation, and this justification will be expressly stated in the Request for Qualifications; and

WHEREAS, to conduct the design-build procurement, the Authority must appoint an Evaluation Committee consisting of the Airport Manager, two members of the Board, and a licensed professional engineer:

NOW, THEREFORE, in accordance with the Procedure and with the Code of Virginia, the Board of Directors finds that:

- (i) a design-build contract is more advantageous than a competitive sealed bid construction contract for the Wetland Mitigation;

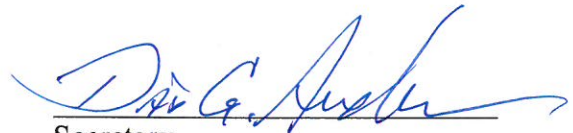
- (ii) using a design-build contract for the Wetland Mitigation will benefit the Authority;
and
- (iii) competitive sealed bidding is not practical or fiscally advantageous for the Wetland Mitigation.

For the foregoing reasons, the Board hereby approves the Airport Manager's request and authorizes the Authority to use a design-build contract to procure the design and construction of the Wetland Mitigation and the Stream Mitigation.

To conduct the procurement, the Board appoints the following individuals as members of the Evaluation Committee:

- Airport Manager Mickey Hines
- Board Member David Anderson
- Board Member Edward "Earl" Maine
- Professional Engineer Doug Sander

RESOLVED this 9th day of May, 2016, by a vote of 6 for and 6 opposed, a quorum present and voting.


Secretary